



FTB Publication 1038



Instructions for Corporations Requesting a Tax Clearance Certificate

General Information

This publication explains the minimum requirements for dissolving a domestic corporation or surrendering the right to transact business in California for a foreign corporation. All the forms and instructions you need to file with either the California Secretary of State or the Franchise Tax Board are available in our publication, *Terminating a Corporation* (FTB Pub. 1149).

If you have an exempt organization requiring a tax clearance, refer to *Instructions for Exempt Organizations Requesting a Tax Clearance Certificate* (FTB Pub. 1038A).

Corporations Not Qualified or Incorporated in California

Corporations not qualified or incorporated in California must file a final return with the Franchise Tax Board. However, the Secretary of State does not require these entities to dissolve or surrender. For more information please call the Franchise Tax Board at (800) 852-5711.

Suspended Corporations

We cannot issue a tax clearance to a suspended corporation; it must first be revived to good standing. If the corporation is suspended, we will give you revivor requirements in response to your request for tax clearance.

Tax Clearance

California corporations and qualified foreign corporations must obtain a tax clearance from us to complete their dissolution or surrender with the Secretary of State. To obtain a tax clearance certificate, file a *Request for Tax Clearance Certificate — Corporation* (form FTB 3555).

Mail the completed request and the required Secretary of State forms to:

Document Filing Support Unit
Secretary of State – Business Filings
1500 11th Street
Sacramento CA 95814

You must also file all required returns, pay any outstanding taxes, penalties, and interest, and do one of the following:

- File an assumption of tax liability.
- Post a surety bond.
- Post a cash bond.
- Request a tax clearance certificate based on the taxes paid (final return).

We may ask for additional information and documentation before issuing the tax clearance certificate.

Upon approval, we will send the tax clearance certificate to the corporation and to the SOS. Upon your request, we will send one to your representative.

Final Return

Corporations in the process of dissolving or surrendering must file tax returns and pay at least the minimum franchise tax, if applicable, until the corporation is dissolved or surrendered. All returns remain subject to audit.

For more information regarding the corporation's final return, refer to *California Corporation Franchise or Income Tax Return* (Form 100), or *California S Corporation Franchise or Income Tax Return* (Form 100S).

Assumption of Tax Liability and Instructions for Request for Tax Clearance Certificate (form FTB 3555)

An assumption of tax liability must have a current date and **original** signatures. We will not accept a copy.

If the assumption of tax liability is filed by:

Assumer Type	Complete Pages of Form 3555
An individual	1,2, and 3
A corporation	1 and 4
A trust	1,2 and 3
An LLC or LLP	1,3 and 4

Note: The assumption of tax liability becomes effective when the corporation completes its dissolution or surrender. All returns remain subject to audit until expiration of the normal statutes of limitations.

Surety Bond/Cash Deposit (Minimum \$2,000)

File a *Request for Tax Clearance Certificate — Corporation* (form FTB 3555) with a letter requesting tax clearance based either on a surety bond or on a cash deposit. We will respond by mail, stating the required amount for the surety bond or the cash deposit.

Mail the surety bond or the cash deposit with a copy of our letter to:

Fiscal Accounting
Franchise Tax Board
PO Box 2800
Sacramento CA 95812-2800

We will release the surety bond or the cash deposit approximately one year after the dissolution or surrender of your corporation when the final audit determines there is no tax liability.

Final Return/Taxes Paid

To request a tax clearance certificate under the final return/taxes paid basis attach the *Request for Tax Clearance Certificate — Corporation* (form FTB 3555) to the front of the final return.

Rush Tax Clearance

If you believe you need priority processing of your request for a tax clearance certificate, complete all the appropriate forms and include a letter stating the reason for the rush. Submit them to the address below. If your reason does not justify priority processing, we will notify you and process your request using routine procedures.

Send Express or Overnight Mail to:

Tax Clearance Unit
Franchise Tax Board
Sacramento CA 95827

Emergency Cases

In some cases, you may obtain emergency approval for a tax clearance certificate from us. Please contact our Tax Clearance Unit at (916) 845-4124. If approved, pick up the certificate at:

3321 Power Inn Road Ste 250
Sacramento CA 95826

How to Get Forms

By Internet:

You can download forms from:

Franchise Tax Board at www.ftb.ca.gov
Secretary of State at www.ss.ca.gov.

By Phone: Order Franchise Tax Board forms and publications through our automated phone system. Call (800) 338-0505 and follow the recorded instructions. Please allow up to 3 weeks to receive your order.

Order Secretary of State forms at (916) 657-5448.

In Person: Most libraries have a copy of Franchise Tax Board's California Package X that contains forms and publications you can photocopy. Many also have the Package X on CD-ROM.

By Mail: For Franchise Tax Board forms and publications, send request to:

Tax Forms Request Unit
Franchise Tax Board
PO Box 307
Rancho Cordova CA 95741-0307

For Secretary of State forms, send request to:

Document Filing Support Unit
Secretary of State – Business Filings
1500 11th Street
Sacramento CA 95814

Assistance

Telephone assistance is available from 7 a.m. until 8 p.m. Monday through Friday and from 8 a.m. until 5 p.m. on Saturdays. We may modify these hours without notice to meet operational needs.

From within the United States, call (800) 852-5711
From outside the United States, call (916) 845-6500
(not toll-free)

Website at: www.ftb.ca.gov

Assistance for persons with disabilities: We comply with the Americans with Disabilities Act. Persons with hearing or speech impairments call: from voice phone (800) 735-2922, or from TTY/TDD (800) 822-6268. For all other assistance, please call (800) 852-5711.

Asistencia para personas discapacitadas: Nosotros estamos en conformidad con el Acta de Americanos Discapacitados. Personas con problemas auditivos pueden llamar al TTY/TDD (800) 822-6268; personas con problemas de habla, pueden llamar al teléfono (800) 735-2922. Para toda otra clase de asistencia, puede llamar al número telefónico (800) 852-5711.